

# How Governments Are Innovating Their Workforces

***The results of a Governing survey paint a portrait of a public sector hard-hit by budget cuts, pay freezes and a lack of advancement opportunities. But employees have reasons for optimism.***

BY: Mike Maciag | August 2013

**M**any state and local government workers face a grim reality these days.

During the recession, states and localities shed hundreds of thousands of jobs. In the coming years, they're slated to lose even more veteran workers to retirement. That could mean more work for fewer and less experienced employees, potentially dealing a blow to morale.

*Governing* conducted a survey of senior state and local officials assessing the current state of the public-sector workforce, examining a range of issues crucial to public employees. The responses paint a portrait of a sector hard-hit by budget cuts, with many lamenting pay freezes and a lack of advancement opportunities. But the news isn't all bad. Governments made great strides in advancing new and improved workforce initiatives, giving plenty of reasons for optimism.

Overall, employees seem fairly content, despite the hardships of the past few years. Of those surveyed, 78 percent reported being somewhat or very satisfied with jobs and working conditions. Similarly, an overwhelming majority said they thought they could make a difference through their work, and 73 percent said they felt at least somewhat valued by their employers.

Keeping workers engaged is one of the more important factors in uniting a workforce, but only half of survey participants reported satisfaction with their organization's employee engagement efforts. Bob Lavigna, the University of Wisconsin's director of human resources, says that while there's not a one-size-fits-all approach, senior leadership must play a key role in ensuring workers stay fully engaged.

One such way is to incorporate their feedback in decision-making. The cities of Cincinnati, Ohio, and Boulder, Colo., for example, used peer-review teams as part of the budgeting processes. "There's a tremendous opportunity to improve the effectiveness of government if we can move the needle of engagement," says Lavigna, author of *Engaging Government Employees: Motivate and Inspire Your People to Achieve Superior Performance*.

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Of course, it's easier for employees to stay engaged if work doesn't clash with personal life. Governments received high marks in this area, with 86 percent expressing satisfaction with work/life balance. Use of telecommuting--one common measure promoting flexibility--continues to spread across all levels of government, particularly in information technology and program areas where it's most practical.

As agencies have trimmed budgets, some have sought ways to innovate, turning to workers for ideas. More than three-quarters of survey respondents said they felt encouraged to innovate, but many governments could do more to motivate employees. Only 61 percent of respondents said their work units rewarded creativity and innovation. Incentives are helpful, says Bob Lavigna, the University of Wisconsin-Madison's director of human resources and the author of a new book on employee engagement. Workers too often see only the risks of implementing new ideas. "There's a fear that if they try something and it doesn't work, they're going to read about it in the newspaper," Lavigna says.

A handful of survey participants expressed frustration around a lack of merit-based pay, a barrier that's more difficult for governments to overcome in an era of cutbacks. It's also hard for many to move up the career ladder. Sixty-four percent of respondents were somewhat or very dissatisfied with their organization's advancement opportunities.

That could change in the coming years, however, as governments will be dealing with a significant number of vacancies created by the impending wave of baby boomer retirements, and many are preparing for that now.

The survey found governments must also work harder to attract young talent, which can require new and often unconventional approaches to recruiting. For example, Louisiana's civil service department began posting videos on YouTube last year, providing prospective employees an overview of what they'll encounter working in certain jobs. The videos proved particularly useful in advertising high-turnover positions, such as

juvenile justice specialists, which Louisiana officials report has saved the department time and money. (In the survey, 62 percent reported that their work unit was able to recruit new hires with the right skills.)

**View full survey results**

## Innovative Workforce Practices

**D**espite hurdles like those identified in the *Governing* survey, many states and localities are finding new ways to address their challenges head on. The following is a sampling of some innovative workforce initiatives that have been implemented across the country.

### Worker Exchanges

As baby boomers get set to retire, governments must fill the pipeline with the next generation of public-sector managers. To do that, some local governments in Silicon Valley are combining efforts to develop homegrown talent.

The Management Talent Exchange Program, administered by San Mateo County, Calif., works like this: Participating public managers nominate up-and-comers for three-month assignments with other agencies or localities. Participants hone their skills in a completely different discipline, gaining experience to bring back to agencies and advance their careers. "When they come back, they're supercharged," says Frank Benest, who crafted the program and is a senior adviser at the International City/County Management Association.

Plenty of governments have their own internal exchange programs that allow managers to try out positions at different agencies. But San Mateo's initiative gives employees the unique ability to spend time in a different government altogether. The region's smaller localities mostly lack the capacity for employees to move around, so governments swapping employees provides learning experiences that wouldn't otherwise be possible. Mountain View, Calif., assistant city manager Melissa Dile was employed with a small city in 2005 when she got an assignment to work on a performance measurement project at a large water district. "It came at just the right time in my career," she says. "It helped me to test out whether I'd be suited for a larger public agency."

The program costs \$8,000 to administer, including learning forums and one-on-one coaching. Benest expects about 15 emerging leaders to participate in the next iteration of the program this fall.

### Insourcing Health Care

Last year, then-Montana Gov. Brian Schweitzer's administration proposed establishing health-care clinics for state workers, in part to cut growing expenses. The first clinic opened its doors in Helena last fall, and a facility in Billings opened in June.

On average, a visit to a state-supported clinic costs \$90 less than the standard fee-for-service system, says Russ Hill, administrator of the state's Health Care and Benefits Division. The state owns the equipment and leases the facilities, while a contractor manages staffing and medical supplies, charging the state actual supply costs and a per-patient fee.

The clinics' most significant benefits, Hill says, have yet to be realized. The state expects employees -- many of whom will soon retire -- to get healthier because of easy access to health-care services, curbing long-term costs. "They're much more likely to seek out [clinic staff] and stay engaged," Hill says. About 55 percent of Helena-area workers visited their local clinic within six months of its opening. Physicians there identified some 900 previously undiagnosed high cholesterol patients, 750 high blood pressure patients and 325 diabetics.

While some large private companies have run their own clinics for years, more state and local governments are now following suit. Colorado and Tennessee established similar clinics, along with a slew of local governments. Montana plans to eventually open nine or 10 centers across the state. For those living in outlying areas, Hill is exploring another future possibility: mobile clinics.

### Rewarding Employee Innovation

After Larimer County, Colo., saw its revenues plummet during the recession, it turned to its own employees for ideas on how to hold down costs. Other governments similarly encourage workers to innovate, but Larimer County took it a step further with a program rewarding them for it.

The county's Innovation Awards Program recognizes employees who've retooled processes or found inventive ways of enhancing services to deliver more for less. Finalists present their innovations to senior managers and county commissioners. Then the county announces winners at a banquet, where employees get a trophy and up to \$5,000 cash, says Bridget Paris, a county compensation specialist who created the program, which costs about \$7,000 in total. "We wanted to incentivize employees who were not only trying to do more with less," Paris says, "but doing things differently."

This year, the county received a dozen entries. In one case, a team of human services department employees implemented a system speeding up the delivery of public assistance benefits. Another group in the county's workforce center established a program linking young entrepreneurs with mentors in the local business community. A sheriff's office lieutenant won the top prize for coming up with a way to reduce the aggressive behavior of high-security jail inmates that saved the county an estimated \$75,000 and reduced assaults on staff.

Encouraging creativity makes employees feel connected to their work. While the county can't formally recognize every contribution, the program plants the seeds for future innovations. "[It] is incorporating this thought-process into our culture," Paris says. "It's a different way of accepting change and being more creative."

### **Monitoring Mental Health**

When workers are plagued by problems at work or home, they often seek help from employee assistance programs. These services encompass everything from substance abuse counseling to professional development coaching.

In Colorado, the Department of Personnel and Administration uses a unique program to help assess employees' mental wellness. Clients complete a pre-screening questionnaire, which is then incorporated into a data-driven system that helps the department target its efforts. The data helps identify those in need of additional assistance, and it can also reveal larger workforce trends. For instance, only 35 percent of the employees seeking help were men. So the department launched an initiative encouraging more men to get a behavioral health check-up.

Demand for the state's employee assistance programs is significant -- the agency expected to serve 6,800 clients during the fiscal year ending in June -- because they work. A study showed that absenteeism among clients was cut in half after employees sought help, along with notable reductions in reported workplace distress.

### **Flexible Workplace**

A spike in call volumes can create a stressful work environment for employees at the Minneapolis 311 call center, which already maintains long and grueling hours of operation. To better accommodate workers and increase productivity, the city implemented a variety of initiatives promoting flexibility.

Four of the call center's employees work from home almost exclusively. Sitting at desks in their homes, equipped with dual monitors and headsets, they track down information and direct citizens to city services. In the call center, meanwhile, the most popular workstation takes flexibility a step further -- literally. Agents burn calories while taking calls on a custom-built office treadmill, funded by a tobacco settlement grant. "It helps to get their blood flowing and stay more positive throughout the day," says Don Stickney, the city's 311 director.

Next year, the department plans to initiate an online scheduling system, enabling employees to conveniently swap shifts. "When employees' family and work life are in balance, they are more productive and happy employees," Stickney says, "which leads to more customer satisfaction and higher productivity."

### **Listening to Employees**

Providing employees platforms to voice opinions and participate in decision-making are crucial to workforce engagement. In Cincinnati, the city initiated a new priority-based budgeting process that it jointly developed with citizens. As part of the process, small teams of city employees evaluated how well all city programs met one of seven priority areas.

Lea Eriksen, the city's budget director, says this has allowed employees not only to contribute to the city's overall functioning, but also to learn about other areas of city government. Sewer department employees, for example, assisted in assessing goals for safe communities, while police participated on a commerce review

team. In July, the city convened a meeting of employees and residents to find ways to further increase engagement for the next budget.

The department of city planning and buildings also sought employee input as it crafted Cincinnati's long-term comprehensive plan -- the first such plan in more than three decades. Staff in departments throughout city government contributed their expertise and participated in public meetings as part of the three-year process. "It was fun to see excitement from other city staff," says Katherine Keough-Jurs, a senior city planner, "because they're not always asked what they think."

### **Celebrating Milestones**

Boosting employee morale can be tough for governments, particularly when they're pursuing cost-cutting measures or facing public criticism.

To recognize the good work of its employees, the Georgia State Road and Tollway Authority each year holds a special ceremony for its Faithful Service Awards Program. Last fall, workers and their families listened as the authority's executive director outlined individual accomplishments of each employee reaching five-year milestones and presented them with an award. "It's an event that people look forward to and it has become part of our culture," says Craig Southern, the authority's director of human resources and risk management.

It's not just about veteran employees. The authority bestows the same honor on workers reaching one year of service. This is particularly important, Southern says, to ensure newer employees aren't overlooked. "We're showing them the same level of recognition as our long timers, and that really makes a difference."

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